

Service Date: January 15, 1981

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * *

IN THE MATTER of the Application)	
of Montana Power Company for Commis-)	
sion approval of the guarantee by)	
the Company of not to exceed)	UTILITY DIVISION
\$100,000,000 of borrowings by a)	DOCKET NO. 80.7.50
construction Trust created to pro-)	ORDER NO. 4727a
vide interim financing for a por-)	
tion of the construction costs of)	
the Company's undivided interest in)	
Colstrip Units #3 and #4.)	

FINDINGS or FACT

1. On December 1, 1980 the Commission issued Order No. 4727 which authorized the Applicant to make a guarantee to secure borrowings in an amount not to exceed \$100,000,000 by a Construction Trust. In that order, the Commission directed the Applicant to file interest rates on the borrowings of the Construction Trust for Commission approval when negotiations were completed.

2. On December 16, 1980, the Applicant filed a supplement to the application which included the completed interest rate negotiations.

3. The interest rates filed in the supplement are similar to the rates which had been contemplated in the original filing. Absent evidence to the contrary, these interest rates appear to be the best alternative available to the Company. For this reason the interest rates are acceptable to the Commission.

CONCLUSIONS OF LAW

1 The Applicant, Montana Power Company, is a "public utility" within the meaning of Montana law, Section 69-3-101, MCA

2 The Commission properly exercises jurisdiction over the Applicant's rates and operation pursuant to Sections 69-3-102, and 69-3-302, MCA

3 The Securities transactions proposed by Applicant, as hereinafter authorized, will be for a lawful purpose and are consistent with the proper performance by Applicant of service as a public utility; and the aggregate amount of securities outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of Applicant.

ORDER

THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT

1 The application of Montana Power Company to make a guarantee to secure borrowings in an amount no. to exceed \$100,000,000 by a Construction Trust created to provide interim financing for a portion of the construction costs of the Company's undivided interest in Colstrip Units #3 and #4 is granted .

2 The interest rates filed by the Company are hereby approved by the Commission.

DONE IN OPEN SESSION at a meeting of the Montana Public Service Commission held December 19, 1980 by a vote of 5 to 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GORDON E. BOLLINGER, Chairman

CLYDE JARVIS, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST

Madeline L. Cottrill

Secretary

(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion for reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38.2.4806 ARM.